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Inc., Debtor and Debtor-In-Possession

FILED & ENTERED

JAN 24 2025

CLERK U.S. BANKRUPTCY COURT
Central District of California
BY *deramus* DEPUTY CLERK

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA - SANTA ANA DIVISION

In re:

THE ORIGINAL MOWBRAY'S TREE
SERVICE, INC.,

Debtor and Debtor-in-Possession.

Case No: 8:24-bk-12674-TA

Chapter 11

**ORDER GRANTING EMERGENCY
MOTION FOR ENTRY OF INTERIM
AND FINAL ORDERS
AUTHORIZING USE OF CASH
COLLATERAL AND APPROVING
STIPULATION AUTHORIZING USE
OF CASH COLLATERAL ON A
FINAL BASIS**

Continued Hearing (via ZoomGov):

Date: January 21, 2025

Time: 10:30 a.m.

Place: Courtroom 5B
411 West Fourth Street
Santa Ana, CA 92701

On January 21, 2025, at 10:30 a.m., a continued hearing was held on the *Emergency Motion for Entry of Interim and Final Orders Authorizing Use of Cash Collateral* [Docket No. 5] (the "**Motion**") filed by The Original Mowbray's Tree Service, Inc., the debtor and debtor-in-possession in the above-captioned case (the "**Debtor**"). Appearances were as noted on the record.

1 The Court, having read and considered the Motion, all papers submitted in support of
2 thereof and in opposition thereto, the Debtor's supplement to the Motion [Docket No. 249],
3 and the *Stipulation Authorizing Use of Cash Collateral* [Docket No. 255] (the "**Stipulation**")¹
4 between the ("**Debtor**"), on the one hand, and secured creditor PNC Bank, N.A., on the other
5 hand, and for good cause shown,

6 **IT IS HEREBY ORDERED** that:

7 1. The Debtor's authorization to use cash collateral through and including January
8 17, 2025 pursuant to the budget attached hereto as **Exhibit 1** and **Exhibit 2**, as provided in the
9 Court's prior orders [Docket Nos. 72, 162, 211, 244, and 256] is approved on a final basis.

10 2. The Stipulation is approved in its entirety.

11 3. The budget attached hereto as **Exhibit 2** is the Initial Budget (as such term is
12 defined in the Stipulation).

13 4. The Debtor is authorized to use cash collateral in accordance with the budget
14 attached hereto as **Exhibit 2** on a final basis pursuant to and on the terms and conditions of the
15 Stipulation.

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23 Date: January 24, 2025



Theodor C. Albert
United States Bankruptcy Judge

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28 ¹ Capitalized terms not defined herein shall have the same meanings ascribed to them in the
Stipulation.

EXHIBIT "1"

The Original Mowbray's Tree Service Inc. Weekly Cash Flow	Week 1 Ended 10/25/2024	Week 2 Ended 11/1/2024	Week 3 Ended 11/8/2024	Week 4 Ended 11/15/2024	Week 5 Ended 11/22/2024	Week 6 Ended 11/29/2024	Week 7 Ended 12/6/2024	Week 8 Ended 12/13/2024	Week 9 Ended 12/20/2024	Week 10 Ended 12/27/2024	Week 11 Ended 1/3/2025	Week 12 Ended 1/10/2025	Week 13 Ended 1/17/2025	13 Week Total
Operating Receipts														
Collections	673,000	923,000	573,000	573,000	573,000	573,000	576,000	576,000	576,000	576,000	573,000	573,000	573,000	7,911,000
Pino Mgmt. Fees / Lease / Loan	233,747	155,600	155,600	235,600	155,600	180,600	188,250	188,250	263,250	213,250	155,600	155,600	155,600	2,436,547
Total Receipts	906,747	1,078,600	728,600	808,600	728,600	753,600	764,250	764,250	839,250	789,250	728,600	728,600	728,600	10,347,547
Operating Disbursements														
Salaries & Wages	297,517	297,664	297,412	295,719	291,509	289,564	289,870	290,961	295,131	296,272	297,768	295,512	294,959	3,829,857
Health Insurance	66,081	-	-	-	-	66,081	-	-	-	66,081	-	-	-	198,243
Worker's Comp	-	-	-	241,130	-	-	-	185,575	-	-	-	-	185,833	612,538
Union Dues	-	-	-	417,383	-	-	-	321,219	-	-	-	-	321,667	1,060,269
Occupancy	5,821	2,661	3,261	2,345	2,513	5,936	3,250	2,339	2,506	5,929	3,944	2,267	2,429	45,202
Insurance	103,463	66,836	-	-	-	-	548,836	-	-	-	223,462	-	-	942,596
Utilities	10,285	9,834	8,797	8,761	9,265	9,629	10,099	10,717	9,395	8,875	9,399	9,905	9,332	124,293
Repair and Maintenance	9,103	8,844	9,269	8,882	9,018	7,868	8,170	7,654	7,659	8,206	7,612	7,547	8,086	107,917
Office Supplies	6,679	6,938	6,540	6,568	6,647	6,339	6,726	6,577	6,420	6,382	6,783	6,589	6,454	85,642
Vehicles Expenses	58,728	59,383	62,179	60,330	62,425	58,744	58,500	56,067	57,263	57,617	57,548	58,185	56,325	763,294
OC Professionals	5,318	5,398	5,763	6,206	3,439	3,367	3,252	3,502	3,771	4,061	3,994	4,245	4,412	56,726
Tools and Supplies	51,667	51,846	52,436	53,178	53,510	53,641	54,018	54,783	55,722	56,123	56,586	54,786	54,869	703,166
Property Taxes - Real	-	-	-	-	-	-	-	51,193	-	-	-	-	-	51,193
Bank Expenses	-	8,000	-	-	-	-	8,000	-	-	-	8,000	-	-	24,000
Other	4,895	4,970	5,065	5,017	5,172	5,336	5,198	4,846	4,870	4,960	4,772	4,812	4,878	64,792
Total Operating Disbursements	619,558	522,374	450,723	1,105,521	443,498	506,505	995,917	995,432	442,735	514,507	679,868	443,847	949,244	8,669,729
Operating Cash Flow	287,189	556,226	277,877	(296,921)	285,102	247,095	(231,667)	(231,182)	396,515	274,743	48,732	284,753	(220,644)	1,677,818
Cumulative Operating Cash Flow	287,189	843,415	1,121,292	824,371	1,109,473	1,356,568	1,124,901	893,719	1,290,233	1,564,977	1,613,709	1,898,462	1,677,818	1,677,818
Financing														
PNC Interest Payments	-	-	67,940	-	-	-	-	67,940	-	-	-	67,940	-	203,819
Equipment Loans	17,535	158,424	26,826	41,348	14,959	21,638	153,733	49,227	21,060	12,987	158,559	25,127	43,062	744,487
Equipment Rentals	-	44,603	-	-	-	-	44,603	-	-	-	44,603	-	-	133,809
Total Financing	17,535	203,027	94,766	41,348	14,959	21,638	198,336	117,167	21,060	12,987	203,162	93,067	43,062	1,082,115
Cash Flow After Financing	269,654	353,199	183,111	(338,269)	270,143	225,456	(430,004)	(348,349)	375,454	261,756	(154,430)	191,686	(263,706)	595,703
Cumulative Cash Flow After Financing	269,654	622,853	805,964	467,696	737,839	963,295	533,291	184,943	560,397	822,153	667,722	859,408	595,703	595,703
Restructuring Disbursements														
Utility Deposits	-	-	-	-	-	115,023	-	-	-	-	-	-	-	115,023
Force Ten Partners (CRO)	-	-	-	-	-	-	60,000	-	-	-	60,000	-	-	120,000
Raines Feldman (Debtor's Counsel)	-	-	-	-	-	-	75,000	-	-	-	75,000	-	-	150,000
Grobstein Teeple	-	-	-	-	-	-	10,000	-	-	-	10,000	-	-	20,000
Total Restructuring Disbursements	-	-	-	-	-	115,023	145,000	-	-	-	145,000	-	-	405,023
Beginning Cash Balance	4,479,479	4,749,133	5,102,333	5,285,444	4,947,175	5,217,318	5,327,751	4,752,748	4,404,399	4,779,853	5,041,609	4,742,178	4,933,865	4,479,479
Net Change in Cash	269,654	353,199	183,111	(338,269)	270,143	110,433	(575,004)	(348,349)	375,454	261,756	(299,430)	191,686	(263,706)	190,680
Ending Cash Balance	4,749,133	5,102,333	5,285,444	4,947,175	5,217,318	5,327,751	4,752,748	4,404,399	4,779,853	5,041,609	4,742,178	4,933,865	4,670,159	4,670,159

The Original Mowbray's Tree Service Inc. Weekly Cash Flow	Week 1 Ended 10/25/2024	Week 2 Ended 11/1/2024	Week 3 Ended 11/8/2024	Week 4 Ended 11/15/2024	Week 5 Ended 11/22/2024	Week 6 Ended 11/29/2024	Week 7 Ended 12/6/2024	Week 8 Ended 12/13/2024	Week 9 Ended 12/20/2024	Week 10 Ended 12/27/2024	Week 11 Ended 1/3/2025	Week 12 Ended 1/10/2025	Week 13 Ended 1/17/2025	13 Week Total
Collateral Package														
Cash	4,749,133	5,102,333	5,285,444	4,947,175	5,217,318	5,327,751	4,752,748	4,404,399	4,779,853	5,041,609	4,742,178	4,933,865	4,670,159	4,670,159
Accounts Receivable	5,725,659	5,675,659	5,625,659	5,575,659	5,525,659	5,475,659	5,425,659	5,375,659	5,325,659	5,275,659	5,225,659	5,175,659	5,125,659	5,125,659
FF&E (Net Book Value)	334,343	334,343	334,343	334,343	334,343	334,343	334,343	334,343	334,343	334,343	334,343	334,343	334,343	334,343
Pledged Allen Street Property (net, non debtor)	1,762,500	1,762,500	1,762,500	1,762,500	1,762,500	1,762,500	1,762,500	1,762,500	1,762,500	1,762,500	1,762,500	1,762,500	1,762,500	1,762,500
Pledged Sacramento Property (net, non debtor)	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
	14,071,636	14,374,835	14,507,946	14,119,678	14,339,821	14,400,254	13,775,250	13,376,901	13,702,356	13,914,112	13,564,681	13,706,367	13,392,662	13,392,662
PNC Debt														
Beginning	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686
(+) Interest Accrual	-	-	67,940	-	-	-	-	67,940	-	-	-	67,940	-	203,819
(-) Payments	-	-	(67,940)	-	-	-	-	(67,940)	-	-	-	(67,940)	-	(203,819)
Ending Balance	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686	7,041,686
Equity Cushion (Deficiency)	2.00x	2.04x	2.06x	2.01x	2.04x	2.05x	1.96x	1.90x	1.95x	1.98x	1.93x	1.95x	1.90x	1.90x
Equity Cushion (Deficiency) in \$	7,029,950	7,333,149	7,466,260	7,077,991	7,298,135	7,358,568	6,733,564	6,335,215	6,660,669	6,872,426	6,522,995	6,664,681	6,350,976	6,350,976
Accounts Receivable Roll Forward														
Accounts Receivable - Beginning Balance	5,775,659	5,725,659	5,675,659	5,625,659	5,575,659	5,525,659	5,475,659	5,425,659	5,375,659	5,325,659	5,275,659	5,225,659	5,175,659	5,775,659
(+) Sales	856,747	1,028,600	678,600	758,600	678,600	703,600	714,250	714,250	789,250	739,250	678,600	678,600	678,600	9,697,547
(-) Collections	(906,747)	(1,078,600)	(728,600)	(808,600)	(728,600)	(753,600)	(764,250)	(764,250)	(839,250)	(789,250)	(728,600)	(728,600)	(728,600)	(10,347,547)
Accounts Receivable - Ending Balance	5,725,659	5,675,659	5,625,659	5,575,659	5,525,659	5,475,659	5,425,659	5,375,659	5,325,659	5,275,659	5,225,659	5,175,659	5,125,659	5,125,659

EXHIBIT "2"

The Original Mowbray's Tree Service Inc. Weekly Cash Flow	Week 1 Ended 1/24/2025	Week 2 Ended 1/31/2025	Week 3 Ended 2/7/2025	Week 4 Ended 2/14/2025	Week 5 Ended 2/21/2025	Week 6 Ended 2/28/2025	Week 7 Ended 3/7/2025	Week 8 Ended 3/14/2025	Week 9 Ended 3/21/2025	Week 10 Ended 3/28/2025	Week 11 Ended 4/4/2025	Week 12 Ended 4/11/2025	Week 13 Ended 4/18/2025	13 Week Total
Operating Receipts														
Collections	337,253	322,254	267,254	237,255	235,005	214,006	214,006	214,007	214,007	214,008	214,008	214,009	214,009	3,111,081
Pino/Phoenix Mgmt. Fees, Interest Income, Leases	155,560	155,560	193,250	193,250	193,250	193,250	193,250	193,250	193,250	193,250	193,250	193,250	193,250	2,436,870
Pino Line of Credit	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	780,000
Total Receipts	552,813	537,814	520,504	490,505	488,255	467,256	467,256	467,257	467,257	467,258	467,258	467,259	467,259	6,327,951
Operating Disbursements														
Salaries & Wages	168,881	169,074	169,118	169,259	169,152	169,387	169,648	169,751	169,881	169,212	169,459	169,389	169,380	2,201,592
Health Insurance	-	84,955	-	-	-	84,955	-	-	-	84,955	-	-	-	254,865
Worker's Comp	-	-	-	110,760	-	-	-	81,120	-	-	-	71,760	-	263,640
Union Dues	-	-	-	94,000	-	-	-	35,000	-	-	-	35,000	-	164,000
Occupancy	-	17,244	-	-	-	10,248	-	-	-	10,252	-	-	-	37,744
Insurance	1,077,233	96,698	267,250	-	-	96,698	267,250	-	-	96,698	267,250	-	-	2,169,078
Utilities	4,104	3,530	5,699	10,895	5,126	3,940	5,089	10,044	4,238	4,461	5,471	10,242	4,270	77,108
Repair and Maintenance	8,573	8,699	9,320	9,986	10,090	8,813	9,116	9,768	10,200	10,381	8,489	9,083	9,178	121,695
Office Supplies	5,545	5,615	5,979	5,784	5,783	5,799	6,060	5,668	5,690	5,666	5,887	5,693	5,690	74,860
Vehicles Expenses	50,036	50,289	43,545	42,602	42,946	42,792	43,066	37,012	37,041	37,343	37,556	37,692	37,717	539,637
OC Professionals	13,986	9,293	9,623	9,880	10,255	10,265	10,670	11,074	11,391	11,457	9,966	10,064	10,153	138,078
Tools and Supplies	49,381	50,125	45,438	45,621	44,655	44,831	44,593	44,764	44,788	44,827	45,006	45,195	45,163	594,389
Property Taxes - Real	-	-	-	-	-	-	-	-	-	39,000	-	-	-	39,000
Bank Expenses	-	-	4,000	-	-	-	4,000	-	-	-	4,000	-	-	12,000
Other	7,275	7,244	7,199	7,146	7,012	6,950	6,943	6,957	6,906	6,927	6,978	7,108	7,089	91,734
Total Operating Disbursements	1,385,014	502,767	567,172	505,933	295,019	484,679	566,434	411,159	290,135	521,180	560,062	401,226	288,639	6,779,420
Operating Cash Flow	(832,201)	35,047	(46,668)	(15,428)	193,236	(17,423)	(99,178)	56,098	177,122	(53,922)	(92,804)	66,033	178,620	(451,469)
Cumulative Operating Cash Flow	(832,201)	(797,154)	(843,822)	(859,251)	(666,015)	(683,438)	(782,616)	(726,518)	(549,396)	(603,318)	(696,122)	(630,089)	(451,469)	(451,469)
Financing														
PNC Adequate Protection	-	-	150,000	-	-	-	150,000	-	-	-	150,000	-	-	450,000
Equipment Loans	452,654	26,599	107,648	53,232	60,468	15,104	124,484	53,185	25,444	14,522	116,373	26,414	53,523	1,129,650
Equipment Rentals	-	-	84,059	-	-	-	84,059	-	-	-	84,059	-	-	252,176
Total Financing	452,654	26,599	341,706	53,232	60,468	15,104	358,543	53,185	25,444	14,522	350,431	26,414	53,523	1,831,826
Cash Flow After Financing	(1,284,855)	8,448	(388,375)	(68,661)	132,768	(32,527)	(457,721)	2,914	151,678	(68,444)	(443,235)	39,619	125,097	(2,283,295)
Cumulative Cash Flow After Financing	(1,284,855)	(1,276,407)	(1,664,782)	(1,733,442)	(1,600,674)	(1,633,201)	(2,090,922)	(2,088,008)	(1,936,331)	(2,004,775)	(2,448,010)	(2,408,392)	(2,283,295)	(2,283,295)
Restructuring Disbursements														
Force Ten Partners (CRO)	120,000	-	60,000	-	-	-	60,000	-	-	-	60,000	-	-	300,000
Raines Feldman (Debtor's Counsel)	150,000	-	75,000	-	-	-	75,000	-	-	-	75,000	-	-	375,000
Grobstein Teeple	20,000	-	10,000	-	-	-	10,000	-	-	-	10,000	-	-	50,000
United States Trustee	48,261	-	-	-	-	-	-	-	-	-	-	-	77,269	125,530
Total Restructuring Disbursements	338,261	-	145,000	-	-	-	145,000	-	-	-	145,000	-	77,269	850,530
Beginning Cash Balance	12,204,559	10,581,443	10,589,891	10,056,516	9,987,856	10,120,624	10,088,097	9,485,376	9,488,290	9,639,967	9,571,523	8,983,288	9,022,906	12,204,559
Net Change in Cash	(1,623,117)	8,448	(533,375)	(68,661)	132,768	(32,527)	(602,721)	2,914	151,678	(68,444)	(588,235)	39,619	47,828	(3,133,825)
Ending Cash Balance	10,581,443	10,589,891	10,056,516	9,987,856	10,120,624	10,088,097	9,485,376	9,488,290	9,639,967	9,571,523	8,983,288	9,022,906	9,070,735	9,070,735

The Original Mowbray's Tree Service Inc. Weekly Cash Flow	Week 1 Ended 1/24/2025	Week 2 Ended 1/31/2025	Week 3 Ended 2/7/2025	Week 4 Ended 2/14/2025	Week 5 Ended 2/21/2025	Week 6 Ended 2/28/2025	Week 7 Ended 3/7/2025	Week 8 Ended 3/14/2025	Week 9 Ended 3/21/2025	Week 10 Ended 3/28/2025	Week 11 Ended 4/4/2025	Week 12 Ended 4/11/2025	Week 13 Ended 4/18/2025	13 Week Total
PNC Debt														
Beginning	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464
(+) Interest Principal	-	-	150,000	-	-	-	150,000	-	-	-	150,000	-	-	450,000
(-) Payments	-	-	(150,000)	-	-	-	(150,000)	-	-	-	(150,000)	-	-	(450,000)
Ending Balance	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464	7,038,464
Accounts Receivable Roll Forward														
Accounts Receivable - Beginning Balance	2,836,996	2,719,746	2,617,496	2,570,246	2,552,996	2,537,996	2,543,996	2,549,996	2,555,996	2,561,996	2,567,996	2,573,996	2,579,996	2,836,996
(+) Sales	374,563	374,564	412,004	412,005	412,005	412,006	412,006	412,007	412,007	412,008	412,008	412,009	412,009	5,281,201
(-) Collections	(491,813)	(476,814)	(459,254)	(429,255)	(427,005)	(406,006)	(406,006)	(406,007)	(406,007)	(406,008)	(406,008)	(406,009)	(406,009)	(5,532,201)
Accounts Receivable - Ending Balance	2,719,746	2,617,496	2,570,246	2,552,996	2,537,996	2,543,996	2,549,996	2,555,996	2,561,996	2,567,996	2,573,996	2,579,996	2,585,996	2,585,996